

## SENATE BILL No. 332

---

### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 3-9.

**Synopsis:** Campaign finance. Applies campaign contribution limits to contributions made by certain organizations. Provides that a contribution made by an organization is considered to be a contribution made by another organization that has more than a 50% interest in the contributing organization. Provides that contribution limits apply to individual candidates and committees instead of to the aggregate of contributions made to candidate or committee classes. Reduces to \$50 the amount of a contribution that requires certain information about a contributor to be reported. Requires reporting the occupation of an individual whose contributions must be reported. Requires itemization of committee receipts by the amount of: (1) cash contributions received; (2) the value of property other than cash received as contributions; and (3) the value of property received other than contributions. Requires candidates for judge, prosecutor, sheriff of a county containing a consolidated city, sheriff of a county containing a second class city, mayor of a city other than a third class city, and county commissioner of a county that contains a second class city to file campaign reports electronically with the election division in addition to filing the reports with the county election board.

**Effective:** January 1, 2008.

---

---

**Lawson C**

---

---

January 11, 2007, read first time and referred to Committee on Local Government and Elections.

---

---

C  
o  
p  
y



First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

## SENATE BILL No. 332

A BILL FOR AN ACT to amend the Indiana Code concerning elections.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 3-9-2-4 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JANUARY 1, 2008]: Sec. 4. **(a) This section applies**  
3 **only to the following organizations:**

- 4 **(1) A corporation.**
- 5 **(2) A labor organization.**
- 6 **(3) A limited liability company.**
- 7 **(4) A partnership.**
- 8 **(5) A limited partnership.**
- 9 **(6) A business firm.**
- 10 **(7) A public or fraternal association.**
- 11 **(8) An educational institution.**

12 **(b) For purposes of this section, an organization is considered to**  
13 **have a controlling interest in another organization if the**  
14 **organization has more than a fifty percent (50%) interest in the**  
15 **other organization.**

16 **(c) For purposes of this section, a contribution of an**  
17 **organization is considered to be the contribution of an organization**



C  
o  
p  
y

that has a controlling interest in the organization making the contribution.

(d) During a year ~~a corporation or labor an~~ organization may not make ~~total only the following~~ contributions: in excess of:

(1) ~~an aggregate of~~ **To a candidate for a state office (including a judge of the court of appeals whose retention in office is voted on by a district that does not include all of Indiana), not more than** five thousand dollars (\$5,000). apportioned in any manner among all candidates for state offices (including a judge of the court of appeals whose retention in office is voted on by a district that does not include all of Indiana);

(2) ~~an aggregate of~~ **To the state committee of a political party, not more than** five thousand dollars (\$5,000). apportioned in any manner among all state committees of political parties;

(3) ~~an aggregate of~~ **To a candidate for the senate of the general assembly, not more than** two thousand dollars (\$2,000). apportioned in any manner among all candidates for the senate of the general assembly;

(4) ~~an aggregate of~~ **To a candidate for the house of representatives of the general assembly, not more than** two thousand dollars (\$2,000). apportioned in any manner among all candidates for the house of representatives of the general assembly;

(5) ~~an aggregate of~~ **To a regular party committee organized by a legislative caucus of the senate of the general assembly, not more than** two thousand dollars (\$2,000). apportioned in any manner among regular party committees organized by a legislative caucus of the senate of the general assembly;

(6) ~~an aggregate of~~ **To a regular party committee organized by a legislative caucus of the house of representatives of the general assembly, not more than** two thousand dollars (\$2,000). apportioned in any manner among regular party committees organized by a legislative caucus of the house of representatives of the general assembly;

(7) ~~an aggregate of~~ **To a candidate for a school board or local office, not more than** two thousand dollars (\$2,000). apportioned in any manner among all candidates for school board offices and local offices; and

(8) ~~an aggregate of~~ **To a central committee other than a state committee, not more than** two thousand dollars (\$2,000). apportioned in any manner among all central committees other than state committees.

C  
o  
p  
y



SECTION 2. IC 3-9-4-4, AS AMENDED BY P.L.164-2006, SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 4. (a) The election division shall develop a filing and coding system consistent with the purposes of this article. The election division and each county election board shall use the filing and coding system. The coding system must provide:

- (1) not more than ten (10) codes to account for various campaign expenditure items; and
- (2) a clear explanation of the kinds of expenditure items that must be accounted for under each code.

(b) The election division shall develop and use a computer system to store campaign finance reports required to be filed under IC 3-9-5-6, IC 3-9-5-10, and IC 3-9-5-20.1. The computer system must enable the election division to do the following:

- (1) Identify all candidates or committees that received contributions from a contributor over the past three (3) years.
- (2) Identify all contributors to a candidate or committee over the past three (3) years.
- (3) Provide for electronic submission, retrieval, storage, and disclosure of campaign finance reports of committees of candidates for the following:
  - (A) Legislative office.
  - (B) State office.

**(C) An office described in section 4.5 of this chapter.**

The election division shall provide training at no cost to candidates to enable candidates described in this subdivision to file campaign finance reports electronically.

(c) The election division shall notify each candidate's committee that the election division will provide at the committee's request at no cost a standardized software program to permit the committee to install the software on a computer and generate an electronic version of the reports and statements required to be filed with the election division under this article. However, the election division is not required to provide or alter the software program to make the program compatible for installation or operation on a specific computer.

(d) This subsection applies to the following committees:

- (1) A committee for a candidate seeking election to a state office.
- (2) A political action committee that has received more than fifty thousand dollars (\$50,000) in contributions since the close of the previous reporting period.

The committee must file electronically the report or statement required under this article with the election division using a standardized

C  
o  
p  
y



software program supplied to the committee without charge under subsection (c) or another format approved by the election division. An electronic filing approved by the election division under this subsection may not require manual reentry into a computer system of the data contained in the report or statement in order to make the data available to the general public under subsection (g).

(e) This subsection applies to an electronic submission under subsection (b)(3). An electronic submission must be in a format previously approved by the commission that permits the election division to print out a hard copy of the report after the receipt of the electronic submission from the candidate. Filing of a report occurs under IC 3-5-2-24.5 on the date and at the time electronically recorded by the election division's computer system. If a discrepancy exists between the text of the electronic submission and the printed report, the text of the printed report prevails until an amendment is filed under this article to correct the discrepancy.

(f) The election division is not required to accept an electronic submission unless the submission complies with subsection (b)(3). Upon receiving approval from the commission, the election division may accept an electronic submission from candidates, committees, or persons described in subsection (b)(3).

(g) The election division shall make campaign finance reports stored on the computer system under subsection (b) available to the general public through an on-line service.

SECTION 3. IC 3-9-4-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: **Sec. 4.5. (a) This section applies to the following committees:**

**(1) A committee for a candidate seeking election to a judicial office other than a statewide office.**

**(2) A committee for a candidate seeking election to the office of prosecuting attorney.**

**(3) A committee for a candidate seeking election to the office of sheriff of either of the following:**

**(A) A county containing a consolidated city.**

**(B) A county containing a second class city.**

**(4) A committee for a candidate seeking election to the office of county executive of a county containing a second class city.**

**(5) A committee for a candidate seeking election to the office of mayor of a city other than a third class city.**

**(b) In addition to any report or statement required to be filed with a county election board under this article, a committee listed**

**C  
o  
p  
y**



1 in subsection (a) must file the report or statement required under  
 2 this article electronically with the election division using a  
 3 standardized software program:

- 4 (1) supplied to the committee without charge; or  
 5 (2) that has another format approved by the election division;  
 6 under section 4 of this chapter.

7 SECTION 4. IC 3-9-5-14 IS AMENDED TO READ AS FOLLOWS  
 8 [EFFECTIVE JANUARY 1, 2008]: Sec. 14. (a) As used in this section,  
 9 "threshold contribution amount" refers to the following:

10 ~~(1) For contributions made to a candidate's committee, a~~  
 11 ~~legislative caucus committee, or a political action committee, one~~  
 12 ~~hundred dollars (\$100).~~

13 ~~(2) For contributions made to a regular party committee, two~~  
 14 ~~hundred dollars (\$200).~~

15 means fifty dollars (\$50).

16 (b) The report of each committee's treasurer must disclose the  
 17 following:

18 (1) The amount of cash on hand and the value of any investments  
 19 made by the committee at the beginning of the reporting period.

20 (2) The total sum of individual contributions including  
 21 transfers-in, accepted by the committee during its reporting  
 22 period.

23 (3) The following information regarding each person who has  
 24 made one (1) or more contributions within the year, in an  
 25 aggregate amount that exceeds the threshold contribution amount  
 26 in actual value to or for the committee, including the purchase of  
 27 tickets for events such as dinners, luncheons, rallies, and similar  
 28 fundraising events:

29 (A) The full name of the person.

30 (B) The full mailing address of the person making the  
 31 contribution.

32 (C) The person's occupation if the person is an individual. ~~who~~  
 33 ~~has made contributions to the committee of at least one~~  
 34 ~~thousand dollars (\$1,000) during the calendar year.~~

35 (D) The date and amount of each contribution.

36 (4) The name and address of each committee from which the  
 37 reporting committee received, or to which that committee made,  
 38 a transfer of funds, together with the amounts and dates of all  
 39 transfers.

40 (5) If the reporting committee is a candidate's committee, the  
 41 following information about each other committee that has  
 42 reported expenditures to the reporting candidate's committee

C  
o  
p  
y



under section 15 of this chapter:

- (A) The name and address of the other committee.
- (B) The amount of expenditures reported by the other committee.
- (C) The date of the expenditures reported by the other committee.
- (D) The purpose of the expenditures reported by the other committee.
- (6) Each loan to or from a person within the reporting period together with the following information:
  - (A) The full names and mailing addresses of the lender and endorsers, if any.
  - (B) The person's occupation, if the person is an individual who has made loans of at least one thousand dollars (\$1,000) to the committee during the calendar year.
  - (C) The date and amount of the loans.
- (7) The total sum of all receipts of the committee during the reporting period. **The report must itemize each of the following:**
  - (A) The total of all cash contributions received during the reporting period.**
  - (B) The total value of contributions of property other than cash received during the reporting period.**
  - (C) The total value of the receipt of all property other than contributions reported under clause (A) or (B).**
- (8) The full name, mailing address, occupation, and principal place of business, if any, of each person other than a committee to whom an expenditure was made by the committee or on behalf of the committee within the year in an aggregate amount that:
  - (A) exceeds one hundred dollars (\$100), in the case of a candidate's committee, legislative caucus committee, or political action committee; or
  - (B) exceeds two hundred dollars (\$200), in the case of a regular party committee.
- (9) The name, address, and office sought by each candidate for whom any expenditure was made or a statement identifying the public question for which any expenditure was made, including the amount, date, and purpose of each expenditure.
- (10) The full name, mailing address, occupation, and principal place of business, if any, of each person to whom an expenditure for personal services, salaries, or reimbursed expenses was made within the year in an aggregate amount that:

C  
o  
p  
y



1 (A) exceeds one hundred dollars (\$100), in the case of a  
 2 candidate's committee, legislative caucus committee, or  
 3 political action committee; or  
 4 (B) exceeds two hundred dollars (\$200), in the case of a  
 5 regular party committee;  
 6 and that is not otherwise reported, including the amount, date, and  
 7 purpose of the expenditure.  
 8 (11) The total sum of expenditures made by the committee during  
 9 the reporting period.  
 10 (12) The amount and nature of debts owed by or to the committee,  
 11 and a continuous reporting of the debts after the election at the  
 12 times required under this article until the debts are extinguished.  
 13 (c) If a committee:  
 14 (1) obtains a contribution;  
 15 (2) determines that the contribution should not be accepted by the  
 16 committee; and  
 17 (3) does not receive and accept the contribution under  
 18 IC 3-9-1-25(b);  
 19 the committee must return the contribution to the person who made the  
 20 contribution. A returned contribution is not required to be listed on the  
 21 report of the committee's treasurer. However, if the committee receives  
 22 and deposits the contribution under IC 3-9-1-25(b) and subsequently  
 23 determines that the contribution should be refunded, the receipt and  
 24 refund of the contribution must be listed on the report of the  
 25 committee's treasurer.

**C**  
**O**  
**P**  
**Y**

